NOTICE OF ANNUAL MEETING

May 10, 2018

TO THE SHAREHOLDERS OF TEN PEAKS COFFEE COMPANY INC.:

The Annual and Special Meeting (the "**Meeting**") of Ten Peaks Coffee Company Inc. ("**Ten Peaks**" or the "**Company**") will be held at the **Opus Hotel Vancouver, 322 Davie St, Vancouver, BC**, on Tuesday, June 19, 2018 at **3:00 p.m**., local time, for the following purposes:

1. To place before the Meeting the report of the Directors, the financial statements of the Company for the year ended December 31, 2017, and the Auditors' Report thereon;
2. To elect the Directors for the ensuing year;
3. To appoint Auditors for the ensuing year;
4. To consider and, if thought advisable, to pass an special resolution approving the change of name of the Company to "Swiss Water Decaffeinated Coffee Inc." as more particularly described in the Information Circular; and
5. To transact such other business as may properly come before the Meeting.

The Directors have fixed the close of business on Thursday, May 3, 2018 as the record date for determining Shareholders who are entitled to attend and vote at the Meeting.

The report of the Directors, the financial statements and the Auditors' Report for the year ended December 31, 2017, which will be presented at the Meeting, are available on www.sedar.com under the Company's profile.

A list of the persons proposed to be nominated for election as Directors and the name of the Auditors proposed to be appointed are set out in the Information Circular which follows. Shareholders who are unable to attend the Meeting in person and who wish to vote at the Meeting must date, execute and deliver their forms of proxy to the Company c/o Proxy Department, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 prior to 1:00 p.m. Toronto time (10:00 a.m. Vancouver time) on Friday, June 15, 2018 or, in the case of any adjournment or postponement of the Meeting, no later than 48 hours before the time of such reconvened meeting. A self-addressed envelope is enclosed.

DATED at Vancouver, British Columbia, this 10th day of May, 2018.

By order of the Board of Directors

(signed) "*Frank Dennis*"
Chief Executive Officer, Ten Peaks Coffee Company Inc.

INFORMATION CIRCULAR

Dated as of May 10, 2018

This Information Circular is furnished in connection with the solicitation of proxies on behalf of the Directors of **TEN PEAKS COFFEE COMPANY INC.** ("**Ten Peaks**" or the "**Company**"), for use at the Annual and Special Meeting of the Company (the "**Meeting**") to be held on Tuesday, June 19, 2018 at the time and place and for the purposes set forth in the accompanying Notice of Meeting. This Circular is dated May 10, 2018 and the information contained herein is given as of May 10, 2018 except where otherwise noted.

NAME AND ORGANIZATION

Ten Peaks is a company incorporated under the *Canada Business Corporations Act*. The Company resulted from a reorganization (the "**Reorganization**") effective January 1, 2011 pursuant to a plan of arrangement (the "**Arrangement**") involving, among others, Ten Peaks, the Swiss Water Decaffeinated Coffee Income Fund (the "**Fund**"), and Swiss Water Decaffeinated Coffee Company, Inc. ("**SWDCC**"). SWDCC is the primary operating entity of the Company; it utilizes the proprietary SWISS WATER® Process to decaffeinate green coffees without the use of chemicals, for its customers located in Canada, the United States and elsewhere. The results of the Company are dependent on the results of SWDCC.

Pursuant to the Arrangement, all of the Fund's then outstanding units were exchanged, on a one-for-one basis, for common shares ("**Shares**") of Ten Peaks, an entity created by the Fund in order to transition from an income trust structure to a corporate structure by way of the Arrangement. As part of the Arrangement, the Fund was amalgamated into Ten Peaks and all of the Fund's assets (including SWDCC) and liabilities were assumed by Ten Peaks. Following the Arrangement, the Shares of the Company began trading on the Toronto Stock Exchange under the symbol 'TPK'. The Company's principal office is located at 3131 Lake City Way, Burnaby, British Columbia, V5A 3A3.

SOLICITATION OF PROXIES

This solicitation of proxies is made on behalf of the Directors by management of Ten Peaks. The cost of the solicitation has been and will be borne by the Company.

APPOINTMENT OF PROXYHOLDERS

The persons named in the enclosed form of proxy are Directors and/or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for the Shareholder and on the Shareholder's behalf at the Meeting other than the persons designated in the form of proxy and may exercise such right by inserting the name in full of the desired person in the blank space provided in the form of proxy and striking out the names now designated.**

To be valid, a proxy must be signed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney. Proxies must be delivered to the Company c/o Proxy Department, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 prior to 1:00 p.m. Toronto time (10:00 a.m. Vancouver time) on Friday, June 15, 2018 or, in the case of any adjournment or postponement of the Meeting, no later than 48 hours before the time of such reconvened meeting. **Failure to properly complete or deposit a proxy may result in its invalidation. The time limit for the deposit of proxies may be waived by the Board of Directors (the "Board") at its discretion without notice.**

VOTING BY PROXIES

The form of proxy accompanying this Information Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice of Annual Meeting and any other matters which may properly come before the Meeting. On any ballot or poll, the Shares of the Company represented by the proxy will be voted or withheld from voting in accordance with the instructions of the registered shareholder (a "**Shareholder**") as specified in the proxy with respect to any matter to be acted on. **If a choice is not so specified with respect to any such matter, the Shares represented by a proxy given to the Directors are intended to be voted in favour of the resolutions**

referred to therein and for the election of all nominees listed in this Information Circular as Directors, the appointment of PricewaterhouseCoopers LLP as Auditors and changing the name of the Company to Swiss Water Decaffeinated Coffee Inc.

The Directors are not aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting.

ADVICE TO BENEFICIAL HOLDERS OF SHARES

All of the Shares of the Company are registered in the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited) ("CDS") and Shareholders (called "Beneficial Holders") hold their Shares through their brokers, intermediaries, trustees or other persons.

In accordance with Canadian securities law, the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy (collectively, the "**Meeting Materials**") to CDS and intermediaries for onward distribution to Beneficial Holders. Intermediaries are required to forward the Meeting Materials to Beneficial Holders, unless a Beneficial Holder has waived the right to receive them, and to seek voting instructions from Beneficial Holders in advance of Shareholders' meetings. Each intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders to ensure that their Shares are voted at the Meeting. Typically, intermediaries will use a service company to forward the Meeting Materials to Beneficial Holders.

Beneficial Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Beneficial Holders to direct the voting of the Shares they beneficially own. Beneficial Holders should follow the procedures set out below, depending on which type of form they receive.

A. <u>Voting Instruction Form</u>. In most cases, a Beneficial Holder will receive, as part of the Meeting Materials, a voting instruction form. If the Beneficial Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Holder's behalf), the voting instruction form should be completed, signed and returned in accordance with the directions on the form. If a Beneficial Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Holder's behalf), the Beneficial Holder must complete, sign and return the voting instruction form in accordance with the directions provided.

or

B. <u>Form of Proxy</u>. Less frequently, a Beneficial Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Beneficial Holder but which is otherwise uncompleted. If the Beneficial Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Holder's behalf), the Beneficial Holder should complete the form of proxy and deposit it with the Company, c/o its agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, as described above. If a Beneficial Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Holder's behalf), the Beneficial Holder must strike out the names of the persons named in the proxy and insert the Beneficial Holder's (or such other person's) name in the blank space provided.

REVOCABILITY OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it by an instrument in writing executed by the Shareholder giving the same or by his or her attorney authorized in writing and deposited at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or delivered to the chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner provided by law. A proxy is valid only in respect of the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Shares. As of the date hereof, there are an aggregate of 9,061,210 Shares issued and outstanding. All of the Shares are entitled to be voted at the Meeting and on a poll each Share is entitled to one vote.

The record date for determination of the Shareholders entitled to attend and vote at the Meeting is Thursday, May 3, 2018.

Other than as noted below, a simple majority of votes cast are required to approve all matters to be submitted to a vote of Shareholders at the Meeting, other than the appointment of Directors. To be effective, the change of name of the Company to "Swiss Water Decaffeinated Coffee Inc." must be approved by a special resolution passed by not less than two-thirds of the votes cast by Shareholders voting in person or by proxy at the Meeting.

To the knowledge of the Directors and the officers of the Company and based solely upon a review of the public filings, no persons beneficially own, directly or indirectly, or exercise control or direction over, more than 10 per cent of the outstanding Shares.

The Directors and the officers of the Company as a group beneficially own, directly or indirectly, or exercise control or direction over, 3.5% of the issued and outstanding Shares.

INTERESTS OF PERSONS IN MATTERS TO BE ACTED UPON

Other that the election of Directors, no director, persons nominated for election as a director at this Meeting, executive officer or any associates or affiliates of such persons has any interest in any matter to be acted upon.

ELECTION OF DIRECTORS

Each of the persons whose name appears hereunder is proposed to be nominated for election as a Director of the Company to serve until the next Annual Meeting of the Shareholders or until they sooner cease to hold office. It is intended that the Shares represented by proxies solicited on behalf of the Directors will be voted in favour of the election of such persons as Directors of the Company if no choice in respect of such election is specified in the proxy. Other than Anne Saunders, who joined the Board in November 2017, the nominees were all previously trustees of the Fund, and as such, the date shown under "Director Since" refers to the date each Director first became a trustee of the Fund. The number of Shares referred to in respect of each individual is the number of Shares beneficially owned, directly or indirectly, or over which control and direction is exercised by each individual. The number of restricted share units ("**RSUs**") is the number of RSUs granted that have not yet vested to such individual. The number of deferred share units ("**DSUs**") represents the number of fully vested DSUs held by such individual, each of which is equal in value to one Share pursuant to the terms of the deferred share unit plan. The general provisions of RSUs and DSUs are described under 'Share-based Compensation' below. The following information concerning the respective nominees has been furnished by them.

Name & Residence	Offices Held	Director Since	Principal Occupation Past 5 Years	Shares
David Rowntree[(1), (2)] British Columbia, Canada	Chairman & Director	April 2002	Managing Director, Highland West Capital; previously Managing Director, Tricor Pacific Capital Inc.	14,450 784 DSUs
Frank Dennis British Columbia, Canada	President & CEO, Director	April 2002	President & CEO of Ten Peaks	127,566 54,771 RSUs[(3)]
Diane Fulton[(1),(2)] British Columbia, Canada	Director	November 2009	Corporate Director; previously Vice President & Chief Investment Officer, Vancouver Foundation	6,000 21,794 DSUs

Name & Residence	Offices Held	Director Since	Principal Occupation Past 5 Years	Shares
Richard Mahler(1) British Columbia, Canada	Director	September 2003	Corporate Director	28,027 55,729 DSUs
Anne Saunders(2) California, USA	Director	November 2017	Corporate Director; previously President, US, NakedWines.com (2016-17), President, Consumer Division, FTD, Inc. (2014-16), President, Redbox (2012-2013)	1,204 DSUs
Roland Veit(2) New York, USA	Director	September 2007	Chairman & CEO, Paragon Coffee Trading Company	50,000 784 DSUs

(1) The Company is required to have an Audit Committee. The members of this Committee are Messrs. Mahler and Rowntree and Ms. Fulton.

(2) The Directors have established a Compensation and Corporate Governance Committee. The members of this Committee are Mmes. Fulton and Saunders, and Messrs. Rowntree and Veit. Ms. Saunders was appointed to this committee on February 22, 2018.

(3) This includes RSUs granted and RSUs accrued on dividend payments in 2018, which are not included in the 2017 compensation amounts disclosed elsewhere in this Information Circular.

Except as noted otherwise, each of the individuals named above has been engaged for more than five years in his or her present principal occupation or organization in which he or she currently holds his or her principal occupation.

Other than as discussed below, to the knowledge of management, none of the individuals named above is at the date hereof or has been within the past ten years: (i) a director, chief executive officer or chief financial officer of any company that, while such individual was acting in such capacity, was the subject of or was the subject of an event that resulted in, after such individual ceased to act in such capacity, an order within the meaning of Form 51-102F5 of National Instrument 51-102 - *Continuous Disclosure Obligations*; or (ii) been bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold any of his or her assets.

Mr. Mahler was a director of Sterling Shoes Inc., a reporting issuer, when it sought creditor protection under the Companies' Creditor Arrangement Act (Canada) on October 21, 2011. In addition, as a consequence of failing to meet its listing obligations, the common shares and convertible debentures were delisted from the Toronto Stock Exchange effective November 25, 2011.

To the knowledge of management, none of the individuals named above has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for such individual as Director of the Company.

The Directors have appointed Mr. Rowntree to serve as Chair of the Board of Directors. Further information concerning the Directors and the Company's Audit Committee can be found in the Company's Annual Information Form for the year ended December 31, 2017, under the headings "Directors and Officers" and "Audit Committee", filed at www.sedar.com.

MAJORITY VOTING

On the recommendation of the Compensation and Corporate Governance Committee (the "**Compensation Committee**"), the Board first adopted a majority voting policy in March 2015 (the "**Majority Voting Policy**") applicable to a Shareholders' meeting that is not a "contested election" of Directors. The Majority Voting Policy was updated and approved by the Board of Directors in February 2017. Under Ten Peaks' Majority Voting Policy, a "contested election" means a meeting at which the number of Directors nominated for election is greater than the number of seats available on the Board.

Pursuant to the Majority Voting Policy, forms of proxy for the vote at a Shareholders meeting where Directors are to be elected will enable the Shareholder to vote in favour of, or to withhold from voting for, each nominee on an individual basis. If the Board determines the election of Directors at a Shareholders' meeting is not a contested election, any director who is not elected by at least a majority (50% + 1 vote) of the votes cast with respect to his or her election shall immediately tender his or her written resignation to the Chair of the Board. The Compensation Committee will consider such offer of resignation and will make a recommendation to the Board concerning the acceptance, rejection or other actions to be taken with respect to the tendered resignation. The Board will take formal action on the Compensation Committee's recommendation no later than 90 days following the date of the applicable Shareholders' meeting and the resignation will be effective on the date it is accepted by the Board. The Board will accept the resignation, absent exceptional circumstances that would warrant the continued service of the applicable director on the Board.

The Company shall promptly issue a news release with the Board's decision. If the Board has determined not to accept a resignation, the news release shall fully state the reasons for that decision. A copy of the news release shall be provided to the TSX.

If a resignation is accepted by the Board, and subject to any corporate law restrictions, the Board may leave any resulting vacancy unfilled until the next annual general meeting, or may appoint a new director to fill the vacancy who the Board considers to merit the confidence of the shareholders, or may call a special meeting of shareholders at which nominee(s) will be presented to fill the vacant position or positions.

APPOINTMENT OF AUDITORS

The Directors propose to nominate PricewaterhouseCoopers LLP as Auditors of the Company for remuneration to be determined by the Board of Directors to hold office until the next Annual Meeting of the Shareholders. PricewaterhouseCoopers LLP was first appointed as Auditor in 2017. Details as to the remuneration paid to the Auditors for the fiscal year ended December 31, 2017 can be found in the Company's Annual Information Form for the year ended December 31, 2017.

CHANGE OF NAME OF THE COMPANY

Management has recommended that the Directors approve the amalgamation of the Company with a subsidiary, Swiss Water Decaffeinated Coffee Company Inc., at the end of the 2018 fiscal year. Management has determined that maintaining a separate parent company from the primary operating entity is no longer necessary. The simplification of the corporate structure will reduce the administrative requirements overall, and allow Shareholders and potential investors to more easily identify the business that drives the financial results of the Company. Under Canadian corporate law, the amalgamated entity will bear the name of the parent company, being Ten Peaks Coffee Company Inc. Management and the Directors believe there is considerable value in the name "Swiss Water" and in the trade marks, brand and related intellectual property of the SWISS WATER® Process. As such, the Directors propose to rename the resulting entity, concurrent with the amalgamation, "Swiss Water Decaffeinated Coffee Inc." (or such variation thereof as the Directors of the Company may by resolution so determine).

Accordingly, at the Meeting Shareholders will be asked to pass a special resolution, approving that:

1. the name of the Company be changed to "Swiss Water Decaffeinated Coffee Inc." (or such variation thereof as the Directors of the Company may be resolution so determine);

2. the Directors of the Company are hereby authorized and directed to cause to be filed articles of amendment to effect this special resolution at such time as the Directors of the Company may by resolution determine; and

3. despite the approval of this special resolution, the Directors of the Company may by resolution determine, at their sole discretion and without further approval of the Shareholders, to abandon the proposed change of name of the Company.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation of Directors and executives and related matters are the responsibility of the Compensation Committee. The Compensation Committee reviews and recommends compensation levels and terms for the President & Chief

Executive Officer (the "**CEO**") and for the Directors to the Board. Hiring and compensation of other executives of Ten Peaks and its subsidiaries is the responsibility of the CEO, operating within the guidelines established by the Compensation Committee and Board, as applicable. Following discussions with the CEO and after receiving his recommendations, the Compensation Committee is responsible for approving incentive compensation levels of other executives.

Compensation Philosophy

The Company's executive compensation program is based on a "pay for performance" philosophy and is designed to attract, retain and reward high calibre and experienced executives who will contribute to the success of the Company. Executives are motivated through various elements of the compensation program to meet annual performance goals and to enhance long-term shareholder value.

The compensation strategy is intended to accomplish the following objectives:

- to attract, retain and effectively reward executive talent;
- to provide compensation which is competitive with that offered in the marketplace;
- to align compensation with corporate business strategies; and
- to ensure alignment of personal interests of the executive team with those of the Shareholders.

The Compensation Committee believes these objectives will be reached with a total compensation package comprised of base salary, short-term variable compensation tied to performance in each fiscal year, longer-term incentives which increase share ownership of executives, benefits and perquisites. Starting in 2014 (as discussed below under Periodic Compensation Review), the total compensation package was targeted at the 25th to 50th percentile of comparable companies, reflecting the relatively small size of the Company. Compensation is generally considered competitive if it is within 10% to 15% of this market positioning. Members of the management team have the ability to exceed the targeted compensation levels if targets under the incentive plans are exceeded. Although target awards under the short-term incentive plan are aimed at market median levels, actual awards paid to executives vary above and below target levels based upon corporate performance.

The compensation for the CEO is determined on the same factors and criteria as the other Named Executive Officers, as described below.

Management's Role in the Compensation Setting Process

Members of management, including the CEO, participate in various aspects of the compensation setting process including: (i) recommending compensation programs, compensation policies, compensation levels and incentive opportunities; (ii) compiling and preparing materials for Compensation Committee meetings, including benchmark market data; (iii) recommending performance targets and objectives; and (iv) ensuring effective evaluation of employee performance.

Periodic Compensation Review

Periodically, the Compensation Committee of the Board engages a third party consulting firm to provide an independent review of the Company's relative compensation competitiveness. In 2014, Ten Peaks' Compensation Committee engaged Towers Watson to: review Ten Peaks' current executive compensation practices from a total compensation perspective; assess how well the current compensation plans align with the Company's objectives and business strategy; develop and confirm appropriate peer groups for the executive team; review the competitiveness of Ten Peaks' executive compensation for 6 management positions based on current roles, scope and responsibilities; conduct a compensation survey; and, assess the risks associated with Ten Peaks' compensation arrangements.

In performing this work, Towers Watson and the Compensation Committee agreed on a primary peer group consisting of food industry companies of similar size; other food industry companies with revenues of less than $750 million; and similar sized general industry companies that regularly pay a dividend. It was noted that setting the primary peer group was particularly challenging as there are no publicly traded companies in the same business. At the time of the review, it was agreed that the primary peer group would consist of the following 15 Canadian companies:

Big Rock Brewing Inc.	Andrew Peller Limited	FP Canadian Newspapers
Brick Brewing Co. Ltd.	Clearwater Seafoods Inc.	Hammond Manufacturing Co.
Corby Spirit and Wine Limited	Rogers Sugar Inc.	PFB Corp.
Legumex Walker Inc.	Automodular Corp.	The Caldwell Partners Int'l Inc.
Village Farms International, Inc.	Canlan Ice Sports Corp	The Second Cup

Given Ten Peaks' size relative to the primary peer group, Towers Watson recommended and the Compensation Committee agreed that the Company target compensation levels closer to the 25th percentile of the primary peer group.

As a secondary reference point, Towers Watson provided data compiled from its 2014 Canadian General Industry Compensation Survey for all participants with annual revenue of $100 million or less (a total of 44 companies). This secondary peer group allowed for comparisons to the 50th percentile pay levels. This is consistent with the Company's practice of using this secondary peer group to assess management compensation levels when third party consultants are not engaged by the Compensation Committee. The Compensation Committee believes that this is a relevant benchmark for Ten Peaks and its subsidiaries, as they represent companies of similar size and sales revenue that compete in the same geographic regions for executive talent.

In 2018, it was determined by the Compensation Committee that executive compensation should be reviewed against an updated peer group, which includes similarly sized (by market capitalization) premium consumer products and services companies listed on the Toronto Stock Exchange. With a more appropriate peer group, the percentile pay levels would better match the compensation philosophy. This review is ongoing and is expected to be completed in 2018.

Elements of Executive Compensation

The main elements of executive compensation are base salary, short-term variable incentive pay, long-term incentive awards, perquisites and benefits. Ten Peaks and its subsidiaries also provide executives and other employees with retirement benefits through contributions to a registered retirement savings plan (RRSP) administered by a third party. Each compensation element is described in more detail below.

<u>Base Salary, Benefits and Perquisites</u>

To ensure compensation is competitive in the marketplace for executive talent, base salaries are targeted to the 25th to 50th percentile levels of comparable entities, as described under 'Periodic Compensation Review' above. Salary for a position is deemed to be competitive if it is within 15% of the comparator group base salary for the relevant quartile. Salaries are adjusted as necessary to maintain the desired competitive position in the market place. Salaries, benefits and perquisites are reviewed annually and adjustments are made when appropriate. Individual variations in base salaries reflect job scope, experience, retention risk and other relevant factors.

Ten Peaks and its subsidiaries offer group life, health and dental benefits, paid time off and other benefits to employees on a competitive level with peer companies, ensuring that benefit costs are prudently managed.

<u>Short-Term Incentive Plan ("**STIP**")</u>

Each member of management participates in a variable pay bonus plan, with payments under the STIP tied to the achievement of specific targets which derive from the Company's strategic and operating plans. The amounts paid out under the STIP increase or decrease with performance, and thus provide an element of compensation at risk.

In April 2015, Towers Watson was engaged by the Compensation Committee to review the STIP including targets and thresholds, and to provide guidance on how to improve the link between pay and performance.

Towers Watson's review took a principles based approach, and considered whether the performance targets:

1. Align with and support the business strategy
2. Align with compensation strategy and organization culture
3. Encourage appropriate risk taking (aligned with the organization's risk appetite), and
4. Align across goals consistently.

The review determined that the performance targets demonstrated strong alignment with the considerations noted above, and recommended revisions in how payments against performance are calculated. The revisions provided for more direct pay-for-performance, such that bonus amounts (and possible ranges of bonus payments) would have a more direct correlation to corporate performance. These recommendations were implemented for 2015.

Under the STIP, the Compensation Committee annually approves the performance objectives for the executives, as well as the target levels of performance for each objective, the thresholds below which no payments against an objective will be paid and the weights assigned to each objective. In respect of the CEO's performance objectives, the Compensation Committee recommends and the Board reviews and approves the objectives, targets, thresholds and weights for the CEO each year.

Following the review of the STIP program by Towers Watson noted above, it was determined by the Compensation Committee that all executives will have the same performance objectives. The proposed objectives, weights, targets, thresholds and maximum levels for each objective are reviewed and approved by the Compensation Committee each year for all executives. The Board then reviews and approves the objectives, weights, targets, thresholds and maximum ranges for each of the CEO's objectives.

In 2017, the performance objectives, weights, targets, thresholds, maximums and actual performance were as follows:

Objective	**Weight**	**Target**	**Threshold**	**Maximum**	**Actual**	**% Payout**
Grow processing volumes	20%	Achieve 107% of 2016 processing volumes	Achieve 98% of 2016 processing volumes	Achieve 116% of 2016 processing volumes	106% of 2016 processing volumes	95%
EBITDA[1]	30%	$7.0 million	$5.2 million	$8.7 million	$6.9 million	98.5%
Make measured progress against the strategic plan	30% CEO & CFO 35% Other management	Discretionary	Discretionary	Discretionary	This objective was achieved	100%
Individual component	20% CEO & CFO 15% Other management	Discretionary	Discretionary	Discretionary	This objective was achieved	100%

All payments under the STIP are subject to maximum levels.

<u>Pension Benefits</u>

The Company does not have a pension plan. Instead, Ten Peaks and its subsidiaries make contributions to RRSPs (or in the case of employees residing in the United States, to an IRA account) in the names of employees, which accounts are controlled by the individual employees. The Company contributes 5% of base salary and will also match an employee's own contribution up to a maximum of 2% of the employee's base salary, into the RRSP. For employees residing in the United States, the subsidiary contributes 2% of salary to an IRA in the name of such employee (consistent with US laws governing individual retirement accounts). Due to annual RSP contribution limits set by the federal government, the above entitlement exceeded the CEO's RRSP annual contribution limit. Therefore, the Company contributes any amount in excess of the annual RRSP contribution limit to a non-registered pension account controlled by the CEO.

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[1] **EBITDA** under the 2017 STIP program is the same as is contained in the Company's Management Discussion and Analysis for 2017. It is defined as net income before interest, depreciation, amortization, impairments, share-based compensation, gains/losses on foreign exchange, gains/losses on disposal of assets, unrealized gains/losses on foreign exchange forward contracts, and provisions for income taxes.

Long-Term Incentive Plan ("**LTIP**")

The Company adopted a restricted share unit plan ("**RSU Plan**") in June 2011. The general provisions of the RSU Plan are described in more detail below under 'Share-based Compensation'.

Grants are reviewed and approved by the Compensation Committee every 12 to 24 months. The amounts of the initial grants as well as subsequent grants were designed to ensure that the number of shares reserved for issuance under the RSU Plan is sufficient for the RSU plan to last at least 5 years (e.g. until June 2016) in order to limit dilution to Shareholders. As at the date hereof, management expects that annual grants can continue to be made under the RSU Plan until 2021.

Periodic grants are proposed by management, reviewed and approved by the Compensation Committee and, for those RSUs granted to the CEO, approved by the Board. These grants vest on the third anniversary of the respective grant date (with certain exceptions) provided the grant recipient is still employed by Ten Peaks or one of its subsidiaries as at the date of vesting. Upon vesting, each RSU converts to one Share. These grants allow participants to receive up to 50% of the market value of the award in cash (instead of Shares) upon vesting, in order to facilitate payment of taxes owing on the awards. Any RSUs paid in cash are returned to the pool and may be re-issued, subject to the maximum number of Shares available under the Plan. Each award that is granted is increased by the value of dividends paid to Shareholders during the vesting period, using a formula which uses the higher of the then-current share price and $3.20[2].

Risks Associated with Compensation Policies and Practices

The Compensation Committee is responsible for considering the risks associated with the Company's compensation policies and practices. In order to fulfil this responsibility, the Compensation Committee reviews the Company's compensation components and practices annually, and considers those factors that could encourage members of management to take inappropriate or excessive risks. This includes an assessment of risks facing the Company and their potential impact on compensation plans, as well as the overall balance and terms of compensation arrangements. As part of this assessment, the Compensation Committee also considers the Company's internal controls, processes and procedures which would mitigate excessive risk taking by management. The compensation risk analysis is prepared by the Chief Financial Officer, who serves as the Company's principal risk officer, and presented to the Compensation Committee for its consideration. In 2015, Towers Watson also conducted a compensation risk analysis as part of their engagement by the Compensation Committee. No substantive differences were noted under this independent risk analysis.

This review was most recently conducted in February 2018, and no compensation related risks were identified that are reasonably likely to have a material adverse effect on the Company.

Hedging Prohibited

The Company's Code of Business Ethics (the "**Code**") prohibits any Director or officer of the Company from purchasing financial instruments (such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of any of the Company's securities granted as compensation or held, directly or indirectly, by such Director or officer.

REPORT ON CEO COMPENSATION

The Board reviews and sets the CEO's compensation, using the compensation elements noted above, including base salary, short-term incentives, long-term incentives, benefits and perquisites, to recognize performance and promote leadership by the CEO. All compensation decisions for the CEO are approved by the Board on the recommendation of the Compensation Committee.

In each of 2015, 2016 and 2017, the CEO received a two percent (2%) cost of living increase to base salary.

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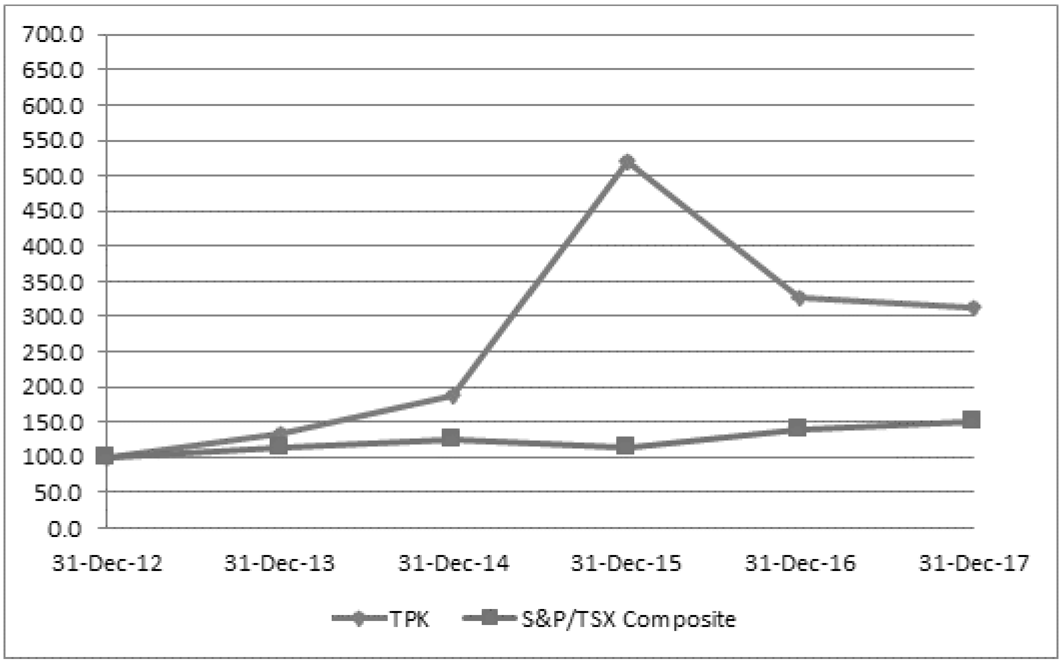
[2] The formula is: Additional RSUs = [Current RSUS * (dividend paid/deemed share price)], where the deemed share price is the higher of the current market value of shares (using a volume weighted average share price for the 5 trading days immediately preceding the dividend payment date) or $3.20. If the current market value is lower than $3.20 per share, the dividend yield will be lower than the current market yield, as the denominator in the yield calculation will be higher than the current market value.

Each year the Board approves a number of performance objectives for Mr. Dennis for the coming year, as is discussed in more detail above under 'Elements of Executive Compensation – Short-Term Incentive Plan' above. In 2017, Mr. Dennis' payments under the STIP totaled $128,728. In 2017, Mr. Dennis was granted 18,500 RSUs. In 2017, Mr. Dennis received total compensation of $591,933.

PERFORMANCE GRAPH

The following graph compares the cumulative total return, including the reinvestment of distributions and dividends, from an investment of $100 in Units of the Fund made on December 31, 2012 with the cumulative total return of the S&P/TSX Composite Index:



A substantial portion of executive compensation is fixed irrespective of financial or share price performance, reflecting the non-variable portions (salary and RRSP contributions) of total compensation which do not change with the level of cash generated by the business. The Board believes that non-variable compensation components are necessary to attract and retain executives, and these aspects of compensation are consistent with the Company's compensation philosophy discussed above.

SHARE-BASED COMPENSATION

Restricted Share Unit Plan

In June 2011, Shareholders approved the adoption of a RSU Plan. The maximum number of Shares available for issue under the Plan is 333,760, being 5% of the issued and outstanding Shares of the Company as at the date it was approved by Shareholders. The following is a summary of important provisions of the RSU Plan.

Purpose. The purpose of the RSU Plan is to promote the Company's interests and long-term success by providing officers, employees and consultants with greater incentive to develop and promote the Company's business and financial success over the longer term, to further align the interest of persons to whom Awards may be granted with those of the Shareholders generally through a proprietary ownership interest in the Company, and to assist the Company in attracting, retaining and motivating its officers, employees and consultants. As the value of the awards under the RSU Plan increase or decrease with the share price, the RSU Plan provides an element of compensation at risk.

Eligible Participants. The RSU Plan is administered by the Compensation Committee which has been empowered by the Board to set the terms of incentive awards under the Plan. The Compensation Committee can, from time to time, grant Awards to any officer, employee, including an employee who is also a director, in their capacity as an employee, or any individual, company or other person engaged to provide ongoing valuable services to the Company (a "**Consultant**") (an "**Eligible Person**").

No Grants to Independent Directors. Independent Directors are not eligible to participate in the RSU Plan.

Maximum Grant to Any One Participant. The aggregate number of Shares issuable to any person to whom Awards have been granted under the RSU Plan (each, a "**Participant**") within any one year period cannot exceed 1% of the then outstanding Shares. In addition, the maximum number of Shares issuable to any Participant who is an insider, pursuant to the RSU Plan or when combined with any other share compensation arrangements, cannot exceed 10% of the total number of outstanding Shares at any time.

Vesting of Awards. Each Award will vest on the date or dates determined by the Compensation Committee and specified in the Award Agreement pursuant to which such Award is granted, provided that unless previously forfeited, such date may not be later than the date which is the last day of the 3rd calendar year following the date on which such Award is granted.

Forfeiture of RSUs. Except as determined by the Compensation Committee, all Awards will cease to vest upon: (i) the date upon which the Participant ceases to be employed or (ii) the death of the Participant. Unvested Awards shall be forfeited and terminated, provided, however, that the Compensation Committee may, when it finds that a waiver would be in the best interest of the Company, waive in whole or in part of any or all remaining restrictions with respect to RSUs.

Payment. Awards will be settled in Shares, unless the Company offers the Participant the right to receive cash in lieu of Shares and the Participant, in his/her sole discretion, so elects.

Procedure for Amending. Shareholder approval must be obtained by ordinary resolution for any amendment that would: (i) increase the number of Shares reserved for issuance under the RSU Plan; (ii) extend the term of an Award beyond its original expiry time; (iii) allow for the participation by independent directors in the RSU Plan; or (iv) permit an Award to be transferable or assignable to any person other than in accordance with the RSU Plan.

Notwithstanding the foregoing, Shareholder approval is not required for amendments of a clerical nature, amendments to reflect any regulatory authority requirements (including those of the Toronto Stock Exchange), and amendments to the expiry date of an Award so long as such amendments do not extend the term of an Award past the original date of expiration.

Other Material Information. Appropriate adjustments to the RSU Plan and to Awards granted thereunder will be made by the Compensation Committee to give effect to adjustments in the number and type of Shares (or other securities or other property) resulting from subdivisions, consolidations, substitutions, or reclassifications of Shares, payment of stock dividends or other changes in the Company's capital. In the event of any merger, acquisition, amalgamation, arrangement or other scheme of reorganization that results in a change of control, the Compensation Committee will, in an appropriate and equitable manner: (a) determine any adjustment to the number and type of Shares (or other securities or other property) that thereafter shall be made the subject of Awards; (b) determine the number and type of shares (or other securities or other property) subject to outstanding Awards; (c) determine the unit price with respect to any Award, provided, however, that the number of Shares covered by any Award or to which such Award relates shall always be a whole number; (d) determine the manner in which all unexercised Awards granted under this Plan will be treated including, without limitation, requiring the acceleration of the time for the exercise of such Awards by the Participants, the time for the fulfillment of any conditions or restrictions on such exercise, and the time for the expiry of such rights; (d) offer any Participant the opportunity to obtain a new or replacement award for securities into which the Shares are changed or are convertible or exchangeable, on a basis proportionate to the number of Shares issuable under the Award (and otherwise substantially upon the terms of the Award being replaced, or upon terms no less favourable to the Participant) including, without limitation, the periods during which the Award may be exercised and expiry dates; and in such event, the Participant shall, if he accepts such offer, be deemed to have released his Award and such Award shall be deemed to have lapsed and be cancelled; and (e) commute for or into any other security or any other property or cash, any Award that is still capable of being exercised, upon giving to the Participant to whom the Award has been granted at least 30 days written notice of its intention to commute such Award, and during such period of notice, the Award, to the extent it has not been exercised, can be exercised by the Participant without regard to any vesting conditions attached thereto, and on the expiry of such period of notice, the unexercised portion of the Award will lapse and be cancelled.

Deferred Share Unit Plan

In September 2011, the Compensation Committee and the Board approved the creation of a Deferred Share Unit Plan ("**DSU Plan**") for Directors and designated employees of the Company. The DSU Plan is designed to allow Directors, and if designated by the Compensation Committee, specified employees, the opportunity to defer a portion of their cash compensation by directing it into a phantom-equity plan, and thus align their interests with Shareholders. The DSU Plan is administered by the Compensation Committee, subject to Board approval of certain awards as determined by the terms of the DSU Plan. The following is a summary of important provisions of the DSU Plan.

Directors and employees who are eligible to participate in the DSU Plan in any particular fiscal year may elect to receive in DSUs a specified percentage of their Directors' remuneration (in the case of Directors) or bonus entitlement (in the case of employees) for such fiscal year by giving written notice to the Company in a form specified in the DSU Plan. DSUs acquired through such an election are automatically vested in full upon issuance.

Subject to Board approval, the Company may grant discretionary awards of DSUs to any Director or designated employee.

Accounts. The company is required to establish an account for each participant. All DSUs shall be credited to the accounts of participants as at the applicable award date. The deferred amount shall be expressed in Canadian dollars, and in each case, the number of DSUs to be credited to an account shall be determined by dividing the deferred amount by the fair market value on the trading day immediately preceding the award date.

On the last day of each fiscal quarter, the Company shall determine whether any dividend has been paid on Shares during such fiscal quarter, and if so, the rate thereof per Share (expressed as a percentage based on the closing price of the Shares on the record date for the payment of the applicable dividend) (the "**Dividend Rate**"). The Company shall credit each account with an additional number of DSUs equal to the number of DSUs in the respective account on the record date for such dividend multiplied by the Dividend Rate.

Redemption Events. DSUs shall not be redeemed except upon the occurrence of any one of the following events (each a "**Redemption Event**"): (a) the death of such participant; (b) the retirement of such participant; (c) in the case of a designated employee, the termination of such employee's employment with the Company or one of its subsidiaries; or (d) unless the Board in good faith determines that the nature of the transactions resulting in a change of control are such that it would not be appropriate for such change of control to constitute a Redemption Event, a change of control.

Redemption. Upon the occurrence of a Redemption Event with respect to a particular participant, such participant will be entitled to receive a lump sum payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in such participant's account on the date of the Redemption Event and (ii) the fair market value of one Share on the date of the Redemption Event. Upon the occurrence of a Redemption Event, the DSUs in the applicable participant's account will not represent any right other than the right to receive a lump sum payment referred to herein, and such DSUs shall automatically be cancelled immediately following the payment of such lump sum amount.

As at the date hereof, 3,920 discretionary awards have been granted under the DSU Plan. Directors are also encouraged to voluntarily participate in the DSU Plan, by directing a portion of the cash compensation paid to them into DSUs. Three directors elected to direct a portion of their cash compensation into DSUs in 2017. See "Compensation of Directors" below.

SHARE OWNERSHIP GUIDELINES

In February 2012, the Board adopted share ownership guidelines for the Directors. Specifically, each Director (other than Mr. Dennis, the Company's President and CEO) is required to hold that number of Shares and/or DSUs equal in value to three (3) times the annual cash retainer paid to Directors. Directors have five years from the date of adoption of the guidelines (for new directors, from the date they are appointed to the Board) to achieve this level. For the purpose of measuring compliance with these guidelines, value is determined based on a Director's acquisition cost for the Shares and/or DSUs.

As is noted below under "Compensation of Directors", the Board approved a new director compensation structure effective January 1, 2018. The current annual retainer for a Director is $25,000 and prior to that, the annual retainer for a Director was $20,000. Thus, the current required share ownership value is $75,000, compared to the previous share ownership value of $60,000. As at the date hereof, the current shareholdings, number of DSUs and cumulative acquisition cost of each Director's equity position is as follows:

Director	Shares	Acquisition Cost	DSUs	Acqusition Cost	Total
David Rowntree	14,450	$ 126,087	784	$ 5,000	$ 131,087
Diane Fulton	6,000	$ 16,500	21,794	$ 107,494	$ 123,994
Rick Mahler	28,027	$ 96,372	55,729	$ 269,806	$ 366,178
Anne Saunders[(1)]	-	$ -	1,204	$ 7,696	$ 7,696
Roland Veit	50,000	$ 165,676	784	$ 5,000	$ 170,676

(1) Ms. Saunders has until November 2022 to comply with the share ownership value.

COMPENSATION GOVERNANCE

As is discussed above, the Board has appointed a Compensation Committee to review and approve compensation for members of management, and to recommend to the Board for approval the compensation arrangements for the CEO and the Directors. The full terms of reference of the Compensation Committee are included in Appendix A.

As of the date hereof, the Compensation Committee is comprised of Ms. Fulton (Chair), Mr. Rowntree, Ms. Saunders and Mr. Veit. The majority of the members of the Compensation Committee were and are "independent" within the meaning of section 1.4 of *Multilateral Instrument 52-110*. Mr. Veit is a non-management Director member of the Compensation Committee. No member of the Compensation Committee (i) was indebted to the Company during the fiscal year ended December 31, 2017, (ii) other than Mr. Rowntree, who is Chair of the Board, was an officer or employee of the Company during the fiscal year ended December 31, 2017; or (iii) was formerly an officer of the Company.

Mr. Veit operates a coffee business which does business with SWDCC. His company buys decaffeinated coffee and/or decaffeination services from SWDCC, and sells green coffee to SWDCC. All transactions are in the normal course of business, and none of the transactions are material to the Company. These transactions are discussed in greater detail in the Company's audited financial statements for the year ended December 31, 2017, which are available at www.sedar.com.

Compensation Committee Member Experience

The Board believes that each committee member has direct experience relevant to the Compensation Committee's responsibilities in executive compensation. The biographies and relevant experience of each committee member are as follows:

Diane Fulton

Until July 2016, Ms. Fulton was Vice-President and Chief Investment Officer of the Vancouver Foundation. Previously, she was Executive Director of Investments for the University of British Columbia's Faculty Pension Plan. In addition, she spent 11 years at Scotia McLeod Inc., most recently as Director and Vice President of Corporate Finance. Ms. Fulton is a director of the University of British Columbia's Investment Management Trust, and chair of the Trust's Governance and Human Resources committee. Ms. Fulton is an advisor to the Insurance Corporation of British Columbia's investment committee, and is a member of the investment committees of the Public Guardian and Trustee of British Columbia, WorkSafeBC, the Real Estate Foundation and the Terry Fox Foundation. Ms. Fulton is also a director and a member of the audit committee for CPI Card Group[(1)], a publicly listed company. She holds an honours B.Sc. from the University of Toronto and an M.B.A. from York University. In 2008, she completed the Directors Education Program offered by the Institute of Corporate Directors and earned the ICD.D designation.

David Rowntree

Mr. Rowntree is the founder and Managing Director of Highland West Capital Ltd., a Vancouver based private equity firm. Prior to founding Highland West, Mr. Rowntree co-founded and co-managed for 18 years Tricor Pacific Capital, a private equity investment firm. Mr. Rowntree is legally trained and spent over 16 years as a practicing lawyer both in public practice and as in-house counsel. In addition to serving as Chairman of Ten Peaks, Mr. Rowntree is a Board member of CPI Card Group, a publicly listed company, and is a past Chair of the Board of the VGH & UBC Hospital Foundation. Mr. Rowntree obtained a Bachelor of Arts degree from the University of British Columbia and a Bachelor of Law degree from Osgoode Hall Law School in Toronto, Ontario.

Anne Saunders

Ms. Saunders has held numerous general management positions, including as US President of NakedWines.com, US President of FTD, Inc. and President of Redbox, owned and operated by Coinstar, Inc. Previously, Ms. Saunders held executive and senior management positions with Knowledge Universe, Bank of America, Starbucks, eSociety, AT&T Wireless, and Young & Rubicam. Currently, she is a member of the board of directors of Nautilus, Inc., where she is the chair of the nominating and corporate governance committee, as well as a member of the audit committee and compensation committee. Additionally, Ms. Saunders is a past director of Blue Nile, Inc. She received a BA from Northwestern University and an MBA from Fordham University. Ms. Saunders is a member of the National Association of Corporate Directors and of Women Corporate Directors.

Roland Veit

Mr. Veit is the principal owner, Chairman and CEO of Paragon Coffee Trading Company LP(2). (Paragon), a large US green coffee trading house. He has been involved in the coffee business since 1972, when he started his career at Nestle's world headquarters in Switzerland. In 1978, Mr. Veit left Nestle to work as a coffee trader in Johannesburg and New York, before co-founding Paragon in 1986. He served as a board member of the Green Coffee Association of New York (GCA) from 1998 until 2007, including two terms as Chairman. With over 25 years' experience as a CEO, Mr. Veit has extensive experience in compensation related matters which he brings to his role as a member of the Compensation Committee.

(1) Ms. Fulton will not be standing for re-election for CPI Card Group at its May 31, 2018 Annual General Meeting
(2) Paragon is a limited partnership. The general partner is Rovedo Inc. and Mr. Veit is the President, Secretary and Treasurer of this company.

Executive Compensation-Related Fees

The Company did not engage any compensation consultant or advisor in 2016 or 2017.

SUMMARY COMPENSATION TABLE

The following executive officers are considered "**Named Executive Officers"** for the purposes of disclosure requirements.

Frank Dennis, President and CEO
Sherry Tryssenaar, Chief Financial Officer
Barry Close, Vice President, Operations
David Kastle, Vice President, Green Coffee Trading

No other executive officers performed policy-making functions.

Name and Principal Position	Year	Salary ($)	Share-Based Awards(1) ($)	Option-Based Awards ($)	Non-Equity Incentive		Pension Value ($)	All Other Compensation(3) ($)	Total Compensation ($)
					Annual Incentive Plans(2)	Long-Term Incentive Plans			
Frank Dennis	2017	326,587	113,757	--	128,728	--	--	22,861	591,933
President & Chief	2016	320,183	--	--	76,844	--	--	22,413	419,440
Executive Officer	2015	313,905	86,352	--	208,282	--	--	21,973	630,513
Sherry Tryssenaar	2017	148,156	34,311	--	36,498	--	--	10,371	229,336
Chief Financial	2016	149,051	--	--	22,358	--	--	10,434	181,843
Officer(4)	2015	211,074	43,410	--	87,533	--	--	14,775	356,792
Barry Close	2017	176,868	33,205	--	43,571	--	--	12,381	266,025
VP Operations	2016	173,400	--	--	26,010	--	--	12,138	211,548
	2015	170,000	25,206	--	70,499	--	--	11,900	277,605
David Kastle	2017	222,908	33,205	--	54,914	--	--	4,700	315,727
VP Green Coffee	2016	222,964	--	--	33,445	--	--	4,203	260,611
Trading(5)	2015	211,002	25,206	--	87,503	--	--	5,218	328,929

(1) Share-based awards reflect the deemed value of RSU awards granted during the year, even though these awards are not payable until vesting (on the third anniversary of the grant date). Grants were made on September 13, 2013 (which vested in 2016), February 20, 2015 and February 24, 2017 (no grants were made in 2014 or 2016). The value was determined by multiplying the number of RSUs granted in the year by the volume-based weighted average Share price for the 5 trading days

immediately preceding the grant date, in accordance with the terms of the RSU Plan. The actual value of the RSUs cannot be determined until the RSUs are converted to Shares and sold or paid in cash on vesting.

(2) This represents payments made under the Company's STIP program and includes any discretionary bonus payments. The Company has no long-term non-equity incentive plans.

(3) The Company does not offer a pension plan. The amounts in this column consist of contributions paid to retirement savings plans in the name of the respective Named Executive Officers. For Canadian resident employees, the plan provides for payment of 5% of base salary and the Company will also match an employee's own contribution up to a maximum of 2% of the employee's base salary. For employees residing in the United States, the Company contributes 2% of cash compensation to individual retirement accounts. Perquisites and other personal benefits do not exceed the lesser of $50,000 and 10 per cent of the total salary for any of the Named Executive Officers, and as such are not disclosed here.

(4) In 2017, Ms. Tryssenaar worked part-time (60%) until October 23, 2017 and worked full time for the remainder of 2017. The amount shown for 2017 represents 60% of her full-time salary until October 23, 2017, and 100% of her full-time salary for the balance of the year. In April 2016, Sherry Tryssenaar transitioned to working part-time (60%). The amount shown for 2016 represents 100% of her full-time salary for the first three months of the year, and 60% of her full-time salary for the balance of the year. All other compensation for 2017 and 2016 for Ms. Tryssenaar was based on the amount of time she provided services for the Company

(5) David Kastle is employed by Swiss Water Decaffeinated Coffee Company USA Inc. (a wholly owned subsidiary of SWDCC), and is paid in US dollars. All amounts shown were paid in US dollars and converted into Canadian dollars using the average US-Canadian dollar exchange rate for the applicable year.

INCENTIVE PLAN AWARDS

Outstanding Share-based Awards

The following table shows all equity-based awards outstanding at the end of the most recently completed fiscal year. The only share-based awards the Named Executive Officers hold are RSUs. The Company has no option-based awards.

Name	Option-based awards				Share-based awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested(1) ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Frank Dennis	--	--	--	--	39,343	263,598	--
Sherry Tryssenaar	--	--	--	--	15,944	106,825	--
Barry Close	--	--	--	--	11,483	76,936	--
David Kastle	--	--	--	--	11,483	76,936	--

(1) The market value of share-based awards was calculated using $6.70, being the closing price of Shares (the underlying instruments of the RSUs) on the Toronto Stock Exchange on December 31, 2017.

Incentive Plan Awards

The following table shows the value of share-based awards vested during the year, as well as the value of non-equity incentive plan compensation earned during the year. The Company has no option-based awards.

Name	Option-based awards - Value vested during the year ($)	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Frank Dennis	--	--	128,728
Sherry Tryssenaar	--	--	36,498
Barry Close	--	--	43,571
David Kastle	--	--	54,914

EMPLOYMENT AGREEMENTS, TERMINATION AND CHANGE OF CONTROL BENEFITS

Mr. Dennis and Ms. Tryssenaar are employees of Ten Peaks. Mr. Close is an employee of SWDCC, and Mr. Kastle is an employee of Swiss Water Decaffeinated Coffee Company USA Inc. (a wholly owned subsidiary of SWDCC). The following describes the key terms of each of their employment agreements.

In the event that Mr. Dennis' employment is terminated without cause by the Company (including upon a change of control) or he terminates his employment (1) within twelve months of a change of control, or (2) for good reason (both as defined in the executive employment agreement), Mr. Dennis' employment agreement provides for severance payments of 24 months of salary and a pro-rata payment under the short-term incentive plan for the year in which employment was terminated. In addition, Mr. Dennis would receive a continuation of specified benefits (where reasonably practicable and permitted under the terms of any group or individual insurance programs) for 12 months. In the event of Mr. Dennis' death during his service with the Company, his estate will be entitled to receive a pro rata portion, if any, of his base salary and annual bonus entitlement, if any, up to the date of his death which remains unpaid.

In the event that Ms. Tryssenaar's employment is terminated without cause by the Company or she or the Company terminates her employment within twelve months of a change of control (as defined in the executive employment agreement), Ms. Tryssenaar will receive or give, as the case may be, 3 months' written notice of termination, as well as severance payments equal to 9 months of base salary and incentive payments that would have been owed to her during her period of service with the Company. In addition, Ms. Tryssenaar would receive a cash payment equal to the cost of all benefits which would have been paid by the Company for herself and her family for 6 months immediately following her termination.

In the event that Mr. Close's employment is terminated without cause by the Company or he or the Company terminates his employment within twelve months of a change of control (as defined in the executive employment agreement), Mr. Close will receive or give, as the case may be, 3 months' written notice of termination, as well as severance payments equal to 6 months of base salary and incentive payments that would have been owed to him during his period of service with SWDCC. In addition, Mr. Close would receive a cash payment equal to the cost of all benefits which would have been paid by SWDCC for himself and his family for 6 months immediately following his termination.

In the event that Mr. Kastle is terminated without cause by the Company, or he or the Company terminates his employment within 12 months of a change of control (as defined in the executive employment agreement), his employment agreement provides severance payments equal to 4 months of base salary and incentive payments that would have been owed to him during his period of service with Swiss Water Decaffeinated Coffee Company USA Inc. In addition, Mr. Kastle would receive a cash payment equal to the cost of all benefits which would have been paid the Company for himself and his family for 4 months immediately following his termination.

In addition, the outstanding RSU awards contain provisions related to termination without cause. Specifically, in the event that an Award recipient is terminated without cause including upon change of control, the Award will vest rateably to the date of termination.

The following table sets out the severance amounts that would have been payable to the Named Executive Officers had their employment been terminated without cause including upon change of control (and in the case of Mr. Dennis, if he terminated his employment for good reason as defined in the executive employment agreement) effective December 31, 2017.

	Frank Dennis ($)	Sherry Tryssenaar ($)	Barry Close ($)	David Kastle[(2)] ($)
Salary	653,174	111,117	88,434	74,303
Incentive Payments	128,728	36,498	43,571	54,914
Share-Based Compensation[(1)]	165,812	76,083	48,396	48,396
Estimated Cost of Benefits	8,616	5,370	7,554	56,302
Total	956,330	229,068	187,955	233,914

(1) The value of the share-based compensation reflects the number of RSUs that would have vested for each of the Named Executive Officers as at December 31, 2017, multiplied by $6.70, being the closing price of the Shares on the Toronto Stock Exchange on December 31, 2017.

(2) David Kastle's salary, incentive payments and estimated cost of benefit amounts have been converted to Canadian dollars using an exchange rate of $1.2545, being the Bank of Canada noon rate on December 31, 2017.

COMPENSATION OF DIRECTORS

The compensation of the Directors is intended to attract and retain highly qualified, experienced and committed individuals to act as Directors of the Company and promote the long-term interests of the Company. The Board seeks to ensure that Directors are competitively compensated, having consideration to the size and nature of the Company's business and the expected contribution of Directors.

The Compensation Committee reviews director compensation on an annual basis. From 2011, when the Company was created following the Arrangement, until the end of 2017, the following amounts were paid as compensation for services rendered to Directors of the Company in their capacities as Directors:

Compensation Item	Amount
Annual retainer	$20,000
Board meeting fees	$1,000
Board meeting travel fees (for travel of more than 8 hours to attend a meeting)	$1,000
Committee meeting fees	$1,000
Board Chair retainer	$20,000
Audit Committee Chair retainer	$7,500
Compensation and Corporate Governance Committee Chair retainer	$5,000

Mr. Veit and Ms. Saunders receive this compensation in United States dollars. The Directors are also entitled to be reimbursed for reasonable travel and other expenses properly incurred by them in attending meetings of the Board or any committee thereof, or in connection with their services as Directors. In 2017, Mr. Dennis was an employee of the Company and was not entitled to receive any compensation for acting as a Director.

The following table sets out the compensation earned by the Directors (other than Mr. Dennis) for such services for the fiscal year ended December 31, 2017:

Name	Fees Earned ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
David Rowntree	48,000	--	--	--	--	--	48,000
Diane Fulton	31,750	--	--	--	--	--	31,750
Richard Mahler	35,500	--	--	--	--	--	35,500
Anne Saunders(1)	3,441	--	--	--	--	--	3,441
Roland Veit(1)	33,761	--	--	--	--	--	33,761

(1) Compensated in US$. The amounts shown are the Canadian dollar equivalent, calculated using the average US-Canadian dollar exchange rate of $1.2985 for 2017.

In 2018, the Compensation Committee undertook a more comprehensive review of the Company's director compensation practices. The Chair of the Compensation Committee and the CFO of the Company compiled a peer group of companies based on the primary peer group previously agreed to with Towers Watson, and included similarly sized premium consumer products and services companies (based on market capitalization) listed on the TSX. The comparator group consisted of the following nine Canadian companies:

Big Rock Brewing Inc.	iFabric Corp.
Brick Brewing Co. Ltd.	LXR and Co.
Colabor Group	SIR Royalty Income Fund
Freshii	Supremex
GoodFood Market	

They considered the comparator group data, and also considered director compensation information reported in the 2018 Board of Directors Compensation Survey published by Western Compensation & Benefits Consultants for companies with revenue similar to the Company. They verified that the comparator group of companies had not participated in the Western Compensation & Benefits Consultants survey. The data from both sources were similar, and the data was used to prepare recommended changes to the Company's compensation of directors. The recommendation was reviewed and approved by the Compensation Committee, and on the recommendation of the Compensation Committee, the Board approved the following compensation for Directors (other than Mr. Dennis) commencing in 2018.

Compensation Item	**Amount**
Annual cash retainer	$25,000
DSU Retainer	$20,000
Board Chair retainer	$20,000
Audit Committee Chair retainer	$10,000
Compensation and Corporate Governance Committee Chair retainer	$10,000

Mr. Veit and Ms. Saunders will continue to receive cash compensation in United States dollars. The Directors are also entitled to be reimbursed for reasonable travel and other expenses properly incurred by them in attending meetings of the Board or any committee thereof, or in connection with their services as Directors.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company has purchased directors' and officers' liability insurance policies for the benefit of the Directors and executive officers of Ten Peaks and its subsidiaries against any liability, including legal costs, incurred by them in their capacity as Directors or executive officers, subject to all of the terms and conditions of such policies. The aggregate amount of premiums paid in the fiscal year ended December 31, 2017 in respect of Directors and executive officers as a group was approximately $19,000. The total limit of insurance purchased under the policy was $10 million per loss in annual aggregate.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER COMPENSATION PLANS

The following table sets forth, at December 31, 2017, information in respect of the Company's compensation plans under which Shares are authorized for issuance:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders(1)	100,783	--	119,315
Equity compensation plans not approved by securityholders(1)	--	--	--
Total	100,783	--	119,315

(1) The only equity compensation plan under which Shares can be issued is the RSU Plan, described above under 'Share-based Compensation'.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, at April 20, 2018 (a date within 30 days of the date of this Information Circular), information in respect of the aggregate indebtedness of current and former executive officers, Directors and employees of the Company or any of its subsidiaries.

Aggregate Indebtedness ($)		
Purpose	To the Company or its Subsidiaries	To Another Entity
Share purchases	--	--
Other	$85,616	--

The following table sets forth the indebtedness of each Director or executive officer who is, or at any time since the beginning of the most recently completed financial year has been indebted to the Company or any of its subsidiaries. No Director or executive officer has any indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

Indebtedness of Directors and Executive Officers under (1) Securities Purchase and (2) Other Programs						
Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During 2017(1)(2) ($)	Amount Outstanding as at April 20, 2018(1)	Financially Assisted Securities Purchases During 2016 (#)	Security for Indebtedness (security purchase programs only)	Amount Forgiven During 2016 ($)
Securities Purchase Programs						
--	--	--	--	--	--	--
Other Programs						
David Kastle, VP Green Coffee Trading(2)	Swiss Water Decaffeinated Coffee Company USA Inc.	$128,360	$85,616	--	--	--

(1) The amount shown is in US dollars, and was converted to Canadian dollars at $1.2728, which is the exchange rate in effect as at April 30, 2018 (the last business day of the most recently completed month).

(2) On March 16, 2017, Swiss Water Decaffeinated Coffee Company USA Inc. and David Kastle entered into promissory note in the amount of US$100,000, to facilitate the purchase of a principal residence. The material terms of the promissory note are: (1) maturity on the earlier of the date of termination or cessation of employment by Mr. Kastle other than involuntarily and March 16, 2022; (2) for so long as Mr. Kastle remains an employee, his obligation to repay the principal shall be forgiven against current and future awards under the RSU Plan; (3) any such repayment will result in the concurrent cancelation of the Restricted Share Units that were valued for the purpose of calculating the forgiveness amount; (4) the promissory note will be forgiven in full if Mr. Kastle's employment is terminated prior to the end of the 5-year term by the Company other than for cause, or by the Company or Mr. Kastle as a result of his death or permanent disability; and (5) the loan is interest free other than in the event of default, in which case the promissory note shall bear simple interest at a rate of 10% per annum.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Information Circular, since January 1, 2017, no informed person of the Company, nominee for Director, or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

The Directors know of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the representatives named in the Form of Proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

CORPORATE GOVERNANCE PRACTICES

The Board of Directors

The majority of Directors are "independent" as such term is defined for the purposes of National Instrument 58-101 "Disclosure of Corporate Governance Practices". Mr. Frank Dennis is the President and CEO of Ten Peaks. Mr. Veit operates a coffee business which does business with SWDCC. His company buys decaffeinated coffee and/or decaffeination services from SWDCC, and sells green coffee to SWDCC. All transactions are in the normal course of business, and none of the transactions are material to the Company. Mr. Veit is a non-management Director of the Company.

Mr. Rowntree and Ms. Fulton are presently directors of CPI Card Group, which is a reporting issuer. The Board is of the view that this interlocking directorship does not adversely impact the effectiveness of these directors on the Company's Board.

The Chair of the Directors is David Rowntree, who is an independent Director.

The Directors have regular quarterly meetings and meet more frequently as required. At each board and Committee meeting, the Directors hold a regularly scheduled in-camera meeting at which members of management are not present.

The following is a summary of the attendance of each of the Directors at Board and Committee meetings during the year ended December 31, 2017:

Name of Director	Board Meetings Attended	Audit Committee Meetings Attended	Compensation Committee Meetings Attended
Frank Dennis	5/5	N/A	N/A
Diane Fulton[(1)]	5/5	4/4	2/2
Richard Mahler	5/5	4/4	N/A
David J. Rowntree	5/5	4/4	4/4
Anne Saunders[(2)]	1/1	N/A	N/A
Roland Veit	5/5	N/A	4/4

(1) Ms. Fulton joined the Compensation Committee in Q2-2017
(2) Ms. Saunders was appointed to the Board of Directors on November 28, 2017.

Mandate of the Board of Directors

Scope of the Board's Duties

The Board is responsible for the stewardship of the Company and satisfies its legal responsibility to manage or supervise the management of the business in the interest of its Shareholders through the CEO. In doing so, it must act honestly, in good faith, and in the best interests of the Company. The Board guides the strategic direction, evaluates the performance of senior management, monitors financial results, provides oversight of the Company's material risks and risk mitigation strategies, and is ultimately accountable to the Company's Shareholders, employees, customers and suppliers. The members of the Board are kept informed of the Company's operations at meetings of the Board and its committees, and through reports and analyses by, and discussions with, management. The Board manages the delegation of decision making authority to management through Board resolutions under which management is given authority to transact business, but only within specific limits and restrictions.

Duties and Responsibilities

Selection of Management

The Board is responsible for appointing the CEO, for monitoring and evaluating the CEO's performance, and approving the CEO's compensation. Upon recommendation of the CEO and the Compensation Committee, the Board is also responsible for oversight of the remuneration of all senior executives of the Company. The Board also ensures that adequate plans are in place for management succession and, through the Compensation Committee, conducts an annual review of such plans.

Corporate Strategy

The Board is responsible for reviewing and approving the corporate strategy on a yearly basis, as well as determining the goals and objectives to achieve and implement the corporate strategy, while taking into account, among other things, the opportunities and risks of the business. Each year, the Board meets for a strategic planning session to set the plans for the upcoming year. In addition to the general management of the business, the Board expects management to achieve the corporate goals set by the Board and the Board monitors throughout the year the progress made against these goals.

In addition, the Board approves key transactions which have strategic impact to the Company, such as acquisitions, key supply arrangements and strategic alliances. Through the delegation of signing authorities, the Board is responsible for setting out the types of transactions which require approval of the Board before completion.

Fiscal Management and Reporting

The Board monitors the financial performance of the Company and must ensure that the financial results are reported (a) to Shareholders and regulators on a timely and regular basis and (b) fairly and in accordance with generally accepted accounting principles for publicly accountable enterprises. The Board must also ensure that all material developments of the Company are disclosed to the public on a timely basis in accordance with applicable securities regulations. The Board reviews and approves the Company's audited financial statements, management discussion and analysis and related disclosures which describe the achievements and performance of the Company for the preceding year. The Audit Committee also recommends that the Board approve (subject to Shareholder approval) the appointment of the Company's auditors on an annual basis.

Legal Compliance

The Board is responsible for overseeing compliance with all relevant policies and procedures by which the Company operates and ensuring that the Company operates at all times in compliance with all applicable laws and regulations and to the highest ethical and moral standards.

Statutory Requirements

The Board is responsible for approving all matters which require board approval as prescribed by applicable statutes and regulations. Management ensures that such matters are brought to the attention of the Board as they arise.

Risk Management

The Board is responsible for identifying the Company's principal risks and ensuring the implementation of appropriate systems to manage these risks. The Board is also responsible for the integrity of the Company's internal control and management of information systems.

External Communications

The Board is responsible for overseeing the establishment, maintenance and annual review of the Company's external communications policies which should address how the Company interacts with analysts and the public and contain measures for the Company to avoid selective disclosure. The Board is responsible for establishing a process for receiving Shareholder feedback.

Position Descriptions for Board and Committee Chairs

Each of the Chair and the Committee Chairs is an independent Director. The Board has developed written position descriptions for the Chair of the Board and the chairs of the Committees (the "**Committee Chairs**").

The Chair is responsible for the management, development and effective performance of the Board and leads the Board to ensure that it fulfills its duties as required by law and as set out in the Board's terms of reference. The Committee Chairs are responsible to lead and oversee the applicable Committee to ensure it fulfills its mandate as set out in its terms of reference and reporting regularly to the Board on the activities of the Committee.

Director Orientation and Continuing Education

The Compensation Committee is responsible for ensuring that Directors receive appropriate orientation and education as to their duties and responsibilities and an understanding of the Company's business. Orientation and education activities include meeting with senior management of the Company and its subsidiaries, its external legal counsel and auditors, and other external consultants as may be determined is appropriate or desirable from time to time by the Directors. From time to time, management provides the Directors with education sessions during Board meetings on topics such as market conditions, financing alternatives and governance practices. Individual Directors also participate in education sessions offered by the Institute of Corporate Directors and consulting firms.

Business Ethics

The Company has adopted a written Code of Business Ethics that applies to the Directors, management and employees of Ten Peaks and its subsidiaries. The Code of Business Ethics is reviewed on an annual basis and it was most recently revised and approved by the Board in November 2017. The Board monitors compliance with the Code of Business Ethics.

The Board, in compliance with the Code of Business Ethics and applicable corporate law, ensures that Directors who have a material interest in proposed transactions involving the Company disclose such interest prior to consideration of the relevant matter by the Board and abstain from voting on approval of such transactions as appropriate.

Nomination of Directors

The Compensation Committee, which is comprised of a majority of independent Directors, considers proposed nominees for Directors as vacancies arise, with a view to ensuring that the Directors are comprised of individuals with a complimentary range of general business and industry-specific experience and financial literacy. This Committee may, if necessary, engage the assistance of outside advisors to identify suitable nominees for election as Directors. The terms of reference detailing the responsibilities of this Committee are attached as Appendix A to this Information Circular.

Committees of the Directors

The following committees of the Board have been established:

Audit Committee

The Audit Committee consists of three independent Directors. The Audit Committee's principal functions are:

(i) to review all financial information and statutory disclosure documents prior to their approval by the Directors and their distribution to Shareholders and other interested persons;

(ii) to review the Company's systems of internal control; and

(iii) to monitor the performance of the external auditors.

For more information regarding the Audit Committee, including a detailed description of the Audit Committee's mandate and the qualifications of the members of the Audit Committee, as well as information regarding the compensation paid to the Company's auditors; please refer to the Company's current Annual Information Form, which is available on www.sedar.com.

Compensation and Corporate Governance Committee (the "Compensation Committee")

The Compensation Committee consists of four Directors, the majority of whom are independent (with the other Director being a non-management Director). The Compensation Committee's principal functions are:

(i) to develop and monitor the Company's overall approach to corporate governance issues;

(ii) to recommend to the Directors nominees for election and re-election as Directors;

(iii) to review the performance of the Directors and their Committees; and

(iv) to oversee organizational structure, executive appointment and succession, executive compensation, and performance review of the President and CEO.

The mandate of the Compensation Committee is contained in Appendix A of this Information Circular.

Board Assessment

Each year, the Board conducts an evaluation and review of the performance of the Board, its committees and the Board Chair during the past year and, based on the results of such evaluation, considers what steps may be necessary or desirable to improve board effectiveness. The results of the Board assessment also inform the Board's areas of focus for the next year.

Director Term Limits and Other Mechanisms of Board Renewal

The Company has not adopted term limits for Directors because the Board believes the imposition of arbitrary term limits may result in an effective Director being disqualified and discounts the value of deep knowledge held by longer serving Directors. As a small company with a very small market capitalization it is more difficult to attract and retain qualified people to serve on the Board. A vacancy created by adopting Director term limits could create an imbalance in the Board for an extended period of time, which could be detrimental to the overall governance of the Company. However, the Compensation Committee is committed to an orderly process for Board renewal. The Compensation Committee is responsible for assessing the effectiveness of the Board of Directors and Board renewal is one of the factors the Compensation Committee considers in its evaluation.

Representation of Women on the Board

The Board believes that gender diversity will enrich the Board; however, the Company has not adopted a written policy relating to the identification of women Directors. The Compensation Committee is responsible for overseeing Board renewal, including the evaluation, identification and recommendation of nominees to the Board. The Compensation Committee must identify nominees with the appropriate skills, experience and characteristics to promote the continued growth and success of Ten Peaks. One of the factors that the Compensation Committee considers is diversity, including gender, age and geography. The number of women represented on the Board is one of the factors used by the Compensation Committee in identifying and nominating candidates for election or re-election to the Board. The Compensation Committee also considers the Company's corporate strategy and takes into consideration the skills and experience of the current Directors (individually and the Board as a whole) in identifying nominees to the Board. It also considers the time and energy required to devote to Ten Peaks' Board and committee work and knowledge of the business and operations of the Company. Utilizing the services of a search firm, the Compensation Committee identified Ms. Saunders as a Director nominee, taking into consideration all of the above.

Representation of Women in Executive Officer Appointments

The Company considers diversity, including the representation of women, as one of the factors in making executive officer appointments. Additionally, the Company considers the skills, experience and leadership abilities necessary for the position.

Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Company has not adopted targets regarding women on the Board or in executive officer positions. Diversity, including gender diversity, is one of the factors that the Compensation Committee considers in identifying and recommending candidates for election or re-election to the Board. Similarly, gender diversity is one of the factors that the Company considers in identifying individuals to fill executive officer positions.

Number of Women on the Board and in Executive Officer Positions

Ten Peaks currently has six directors, two of which are women, representing 33%, of the Directors. Of the six nominees for election at the 2018 Annual Meeting of Shareholders, the two female directors will represent 33% of the Board. There is one Named Executive Officer who is a woman, representing 25% of such executive officers.

Shareholder Communications

The Finance Department is charged with the responsibility of ensuring that the communication needs of Shareholders, and investors generally, are satisfied, by written communication or by direct contact with senior management.

Mandate of the President and Chief Executive Officer and Expectations of Management

The President and CEO reports directly to the Chair of the Board on a regular and on-going basis. He has full accountability to the Board for the operating, financial and strategic performance of the Company.

The Board has adopted terms of reference for the CEO that sets out expectations for the role. The Board also reviews and approves annually specific personal goals and objectives for the ensuing year. An annual review of the President and CEO's performance is conducted.

AVAILABILITY OF DOCUMENTS

Financial information concerning the Company is contained in the consolidated financial statements and related management's discussion and analysis for the year ended December 31, 2017 and can be found at www.sedar.com. Additional information concerning the Company, including the Company's Annual Information Form for the year ended December 31, 2017, can also be found at www.sedar.com.

The Company will provide to any person or company, upon request to the Controller at tdang@tenpeakscoffee.ca, or 604.444.7762, one copy of the following documents:

1. the Company's most recent Annual Information Form, together with any document, or the pertinent pages of any document, incorporated therein by reference, filed with the applicable securities regulatory authorities;
2. the annual consolidated financial statements of the Company filed with the applicable securities regulatory authorities for the Company's most recently completed fiscal period in respect of which such financial

statements have been issued, together with the report of the auditors thereon, related management's discussion and analysis and any interim financial statements of the Company filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements; and

3. the most recent management information circular of the Company filed with the applicable securities regulatory authorities in respect of the most recent annual meeting of Shareholders of the Company which involved the appointment of Directors.

Copies of the above documents will be provided, upon request to the Controller, free of charge to Shareholders of the Company. The Company may require the payment of a reasonable charge by any person or company who is not a Shareholder of the Company and who requests a copy of such document.

APPROVAL OF THIS MANAGEMENT PROXY CIRCULAR

The contents and the sending of this Information Circular have been approved by the Board of Directors of the Company.

(signed) "*Frank Dennis*"
President and Chief Executive Officer
Ten Peaks Coffee Company Inc.
On behalf of the Board of Directors

APPENDIX A

COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

TERMS OF REFERENCE

Establishment of the Committee

There shall be a Committee of the Board of Directors (the "Board") of Ten Peaks Coffee Company Inc. (the "Company") to be known as the Compensation and Corporate Governance Committee ("Committee") whose membership, authority and responsibilities shall be as set out in this charter.

Mandate of Committee – Corporate Governance and Nomination

1. Identification and Long-Term Planning of Board Member Characteristics

The Committee shall:

(a) identify and review with the Board the appropriate skills and characteristics required of Board members, taking into consideration the Board's short-term needs and long-term succession plans; and

(b) develop a long-term plan for the Board's composition that takes into consideration the characteristics of independence, skills, experience and availability of service of its members, as well as the opportunities, risks, and strategic direction of the Company.

2. Evaluation, Identification and Recommendation of Nominees to the Board

In consultation with the Board Chair, the Committee shall identify and recommend to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board.

3. Monitoring and Review of Board Member Education and Commitments

The Committee shall:

(a) review, monitor and make recommendations regarding the initial orientation and education of new Board members and the ongoing education of Directors; and

(b) upon a significant change in a Board member's principal occupation or upon a member assuming any significant outside commitments, review the continued Board membership of such individual.

4. Recommendation of Directors to Serve as Committee Members and Chairs

The Committee shall identify and recommend to the Board individual Directors to serve as members and Chairs of Board Committees.

5. Disclosure of Corporate Governance Practices

The Committee shall be responsible for the Company's disclosure obligations regarding compliance with governance guidelines, recommendations or requirements under applicable securities laws, rules and regulations and the requirements of any applicable stock exchange.

6. <u>Board Guidelines, Policies, Procedures and Terms of Reference</u>

The Committee shall:

(a) review periodically the Board manual outlining the policies and procedures by which the Board will operate and the Terms of Reference for the Board, committees of the Board, the Board Chair, Committee Chairs, individual Directors and the Chief Executive Officer of the Company;

(b) advise the Board regularly with respect to significant developments in the law and practice of corporate governance as well as the compliance with applicable laws and regulations;

(d) make recommendations to the Board on all matters of corporate governance, including any reports that may be required or considered advisable, and on any corrective action to be taken, as the Committee may deem appropriate; and

(e) at the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Company.

7. <u>Establishment and Implementation of Evaluation Processes</u>

The Committee shall establish criteria for, and periodically undertake, an evaluation process for the Board, the Board Chair and each committee of the Board in order to assess the effectiveness of the Board as a whole, the Board Chair and each committee of the Board.

<u>Mandate of the Committee – Compensation</u>

1. <u>Director Compensation</u>

The Committee shall review and make recommendations to the Board with respect to the compensation of the Directors of the Company to ensure that the compensation is appropriate and adequately reflects their responsibilities.

2. <u>Compensation Guidelines and Agreements</u>

The Committee shall review and recommend to the Board a compensation strategy and incentive policies and programs for the Company's senior management, and any material changes to such strategy, policies or programs, and administer the executive compensation and benefits program in accordance with such strategy, policies and programs.

The Committee shall also be responsible for reviewing and recommending to the Board certain matters relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs, or material changes to existing benefit programs.

3. <u>Chief Executive Officer Evaluation and Compensation</u>

The Committee shall review and approve the corporate goals and objectives relevant to the total compensation package of Chief Executive Officer, recommend a performance evaluation process for the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of these goals and objectives and determine and recommend to the Board the Chief Executive Officer's compensation level based on this evaluation.

In determining the long-term incentive component of the compensation of the Chief Executive Officer, the Committee shall consider the performance and relative shareholder return and performance of the Company, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the Chief Executive Officer in past years.

4. <u>Other Executive Compensation and Oversight</u>

In consultation with the Chief Executive Officer, the Committee shall oversee the establishment of goals and objectives of the Company's senior management (including executive officers) other than the Chief Executive Officer, the evaluation of the Company's senior management (including executive officers) other than the Chief Executive Officer and shall approve the total compensation package for the senior management (including executive officers) other than the Chief Executive Officer.

5. Equity Compensation Review

The Committee shall review periodically, and make recommendations to the Board regarding, incentive compensation or equity plans, programs or similar arrangements that the Company establishes for, or makes available to, its employees and consultants.

In addition, the Committee shall review periodically the extent to which these forms of compensation are meeting their intended objectives and shall make recommendations to the Board regarding modifications that will more accurately relate such compensation to employee performance.

6. Management Resources and Plans for Executive Development

The Committee shall review existing management resources and plans, including recruitment, training and evaluations, to ensure that qualified personnel will be available for succession to senior management positions. The Committee shall also periodically discuss with the Chief Executive Officer his or her views as to a successor for the position of Chief Executive Officer.

7. Retirement Matters

The Committee shall:

(a) review and recommend for approval by the Board any material changes in the Company's retirement plans;

(b) where appropriate, give direction concerning retirement program matters to the management committee that supervises the Company's retirement programs; and

(c) where appropriate, receive reports from management on any retirement program matters that may be of concern to the Board and report to the Board on such matters.

8. Compensation Committee Report

The Committee shall review the disclosure on executive officer compensation required to be published by applicable securities laws, rules and regulations, including the Compensation Discussion and Analysis, and recommend such disclosure for approval by the Board.

Procedural Matters

1. Membership

(a) The Committee will be comprised of at least three (3) members, the majority of whom will be non-executive, independent Directors as defined in applicable securities laws, rules and regulations.

(b) Members will be appointed by the Board and shall serve until the earlier to occur of the date on which he or she shall be replaced by the Board, resigns from the Committee, or ceases to be a Director.

(c) The Board shall appoint one of the Directors elected to the Committee as the Chair of the Committee. In the absence of the Chair of the Committee at any meeting, the members shall elect a Chair from those in attendance to act as Chair of the meeting. The fundamental responsibility of the Chair is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the trustees and directors. The Chair's responsibilities shall include:

a. working with the Committee members and the Chief Executive Officer to establish the frequency of Committee meetings and the agendas for meetings;
b. providing leadership to the Committee and presiding over Committee meetings;
c. ensuring that the Committee is properly organized and effectively discharges its duties;
d. facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;

e. reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;
f. leading the Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and
g. taking such other steps as are reasonably required to ensure that the Committee carries out its mandate.

The secretary of the Committee will be the Company's Secretary, or such other person as determined by the Committee.

2. Meetings

(a) The Committee shall meet as frequently as required, but no fewer than two times annually. The Chair shall prepare an agenda in advance of each meeting. A majority of the members of the Committee shall constitute a quorum and the act of a majority of the members present at a meeting where a quorum is present shall be the act of the Committee. The Committee may also act by unanimous written consent of its members. The Committee shall maintain minutes or other records of meetings and activities of the Committee.

(b) Notice of a meeting of the Committee may be given orally or by letter, electronic mail, facsimile transmission or telephone not less than 24 hours before the time fixed for the meeting, unless such notice is otherwise waived in writing by the all of the members of the Committee.

(c) The Committee may invite such other persons (e.g. the CEO, CFO) to its meetings, as it deems necessary.

3. Authority

The Board grants authority to the Committee, within the scope of its responsibilities, to:

(a) Seek any information it requires from any employee (and all employees are directed to co-operate with any request made by the Committee) or external parties.

(b) Obtain outside legal or other professional advice as deemed necessary and to set and authorize the compensation to be paid to such advisors.

(c) Ensure the attendance of officers of the Company at meetings as appropriate.

4. Terms of Reference and Calendar

The Committee review these terms of reference and the calendar of activities on an annual basis and submit any recommended changes to the Board for approval.